

CONTRACTS FOR DIFFERENCE "CFD" ANNEX

Contract for Difference (CFD) is a contract between two parties stipulating that the buyer will pay to the seller the difference between the current value and its value at contract time.

1. SCOPE

- 1.1 The clauses in this Annex of the Agreement apply to Transactions in CFD's.
- 1.2 In this Annex "Transaction" means a transaction for the purposes of sub-clause (v) of the definition of Transaction in the interpretation clause of the Agreement.
- 1.3 Our Transactions in CFD's with you will normally constitute a spot transaction in respect of currency pair exchange rates unless we agree expressly that delivery of the relevant currencies is contemplated in a particular Transaction. Spot transactions are due for delivery two days after dealing, however, as a service to our customers, we will automatically roll clients' positions over every day until they are closed out and delivery will not normally occur unless we agree expressly that delivery of the relevant currency will occur in relation to a particular Transaction. If delivery of the currency does occur you will be liable to make or to receive delivery of the currency and to pay for all associated costs.
- 1.4 You should be aware that the product information contained in this Annex is not necessarily a comprehensive description of all aspects of the product. Additionally, specific products may be tailored for a particular client or market and may differ in detail from the outline set forth in this Annex. The terms of the particular Transactions will prevail over the product description and information given in this disclosure.

2. IMPORTANT: RISKS ASSOCIATED WITH DEALING IN CFD'S

- 2.1 This Annex does not disclose all of the risks in dealing in CFD's. You should not deal in CFD's unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you in the light of your circumstances and financial position. Importantly you should only trade CFD's on margin if you are prepared to sustain a total loss of the money you have invested.
- 2.2 CFD trading is high risk and you may lose your entire investment.
- 2.3 Placing contingent orders, such as "stop-loss" or "stop-limit" orders, will not necessarily limit your losses to the intended amounts, since market conditions may make it impossible to execute such orders.
- 2.4 The leverage often obtainable in CFD trading means that a small margin can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you.
- 2.5 There are costs associated with financing positions held overnight. These costs (which are mentioned at section 8) are an important aspect of trading in CFD'S and must be taken into account by you in advance of deciding whether to trade.
- 2.6 Any payments made or received in relation to any investment may be subject to tax and you should seek professional advice in this respect.
- 2.7 In light of the above you should consider carefully whether or not this product is suitable for you in light of your circumstances and financial position, and if in any doubt please seek professional advice.

3. CFD TRANSACTIONS

- 3.1 In respect of every Transaction made between us we shall act as principal with you. We will engage in CFD contracts transactions with you in accordance with your oral, written or electronic instructions.
- 3.2 Quotes: Upon your request we provide a price quote for each transaction contemplated by you. The prices quoted are determined by us and may represent a mark-up or markdown of inter-bank dealing rates. We may provide a quote either orally by telephone or electronically via an electronic trading system provided by us, or by such other means as we may from time to time notify you. You may request a quote to open a transaction or to close all or any part of a transaction at any time during our normal hours of trading for the instrument in respect of which you wish to open or close the Transaction. The transaction will be initiated by you by offering to open or close a Transaction. We may reject or accept your offer at any time until the Transaction has been executed or we have acknowledged that your offer has been withdrawn. A Transaction will be deemed to have been opened or closed only when your offer has been received and accepted by us. Our acceptance of an offer to open or close a Transaction will be evidenced by a confirmation of its terms to you. All prices shown are indicative and are subject to constant change.
- 3.3 Opening and Closing a Transaction: You may open a Transaction by 'buying' or 'selling'. A Transaction that is opened by 'buying' can also be referred to as a "Buy", "long", or "long position"; a Transaction that is opened by 'selling' can also be referred to as a "Sell," "short," or "short position." A Transaction must always be made for a specified number of contracts and currency pair. We may offer a variety of contract sizes (lots) to be available for trading in your account. Please see our website for the current terms, span of currency pairs available for trading, hedging functionality features, overnight interest/rollover and the rates on spread. These trading terms are subject to change at our sole discretion. Upon closing a transaction, and subject to any applicable adjustments for interest that may be appropriate you will pay us such charges as may be applicable to the transaction(s). We reserve the right to close a Transaction, in part or in whole at any time.
- 3.4 Transactions in CFD's involve you taking a position with regard to what you consider the price of one currency will be against the price of another currency in the future. In order to do this you will trade in a currency pair with us, for example Euro/US Dollar (EUR/USD) or US Dollar/Japanese Yen (USD/JPY).
- 3.5 Currency pairings are expressed as two codes usually separated by a division symbol (e.g. GBP/USD), the first representing the "base currency" and the other the "secondary currency". The price quoted is the value of the secondary currency expressed in terms of one unit of the base currency. For example GBP/USD = 1.5 denotes that one unit of sterling (the base currency) can be exchanged for 1.5 US dollars (the secondary currency). The prices that we quote for each currency pair are normally labelled as the "Bid Price" and the "Ask Price".
- 3.6 The Bid Price is the price that we will pay you in the secondary currency for the position in the base currency. The Ask Price is the price you will pay us in the secondary currency for the position in the base currency. The Bid Price will always be less than the Ask Price. The difference between the Bid and the Ask price is known as the "Spread". We make a profit from the spread. In general the wider the Spread the greater our profit.
- 3.7 You can take a view on the price of the base currency increasing by "Going Long" or you can take a view on the price of the base currency decreasing by "Going Short". For example, if you consider that the price of Sterling will increase against the price of the US Dollar you will decide to take a position with us where you will Go Long (or buy) GBP/USD. If, by contrast, you consider that the price of Sterling will drop against the price of the US Dollar you will decide to take a position with us whereby you Go Short or sell GBP/USD.
- 3.8 If you were Going Long, the opening price of the currency pair would be fixed at our Ask Price. If our Bid Price at the end of the contract is greater than our Ask Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units of the base currency by the difference between the opening Ask Price and the closing Bid Price of the currency pair. However, if the Bid Price for the currency pair at the end

of the contract does not exceed the Ask Price for the currency pair at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units of the base currency by the difference between the opening Ask Price and the closing Bid Price of the currency pair. Regardless of how the price of the currency pair moves you will also be required to pay us applicable interest charges, ticket charges in respect of certain platforms (which you will be notified about separately), and Tom/Next financing charges (see section 8).

- 3.9 If, however, you were Going Short, the opening price of the currency pair would be fixed at our Bid Price. If the Ask Price of the currency pair at the end of the contract is less than the Bid Price at the commencement of the contract then, subject to the deduction of applicable charges, you will receive a sum calculated by multiplying the number of units of the base currency by the difference between the opening Bid Price and the closing Ask Price of the currency pair. However, if the Ask Price for the currency pair at the end of the contract exceeds the Bid Price for the currency pair at the commencement of the contract you will be required to pay us a sum calculated by multiplying the number of units of the base currency by the difference between the opening Bid Price and the closing Ask Price of the currency pair. Again, regardless of how the price of the currency pair moves you will also be required to pay us applicable interest charges, ticket charges in respect of certain platforms (which you will be notified about separately), and TomNext financing charges (see section 8).
- 3.10 Transactions in CFD's involve the obligation to settle a position at a future date. At 10pm London time (which is the standard CFD market value-date change time) each day, we may offset/settle your open spot transactions/positions by closing the trade at the current market rate, roll over your open positions into the next settlement time period, or make or receive delivery on your behalf upon any terms and by any methods deemed reasonable by us, and reopen your spot transaction/position for the following day's spot date at a rate that will reflect the interest rate differential (see section 8). Terms and/or methods for delivering, offsetting, settling, or rolling over your open positions may differ on a customer-by-customer basis. Offset instructions on currency positions open prior to settlement arriving at settlement date must be given to us at least one (1) business day prior to the settlement or value day. Alternatively, sufficient funds to take delivery or the necessary delivery documents must be in our possession within the same period described above.
- 3.11 Whenever any Transaction is entered into to close out any existing Transaction, then the obligation of each of us under both sets of Transactions shall automatically and immediately be terminated upon entering into the second Transaction, except for any settlement difference payable due in respect of such closed out Transaction.
- 3.12 It may not be possible to cancel or modify a Transaction. If a Transaction cannot be cancelled or modified, you are bound by any execution of the original order. We are not liable to you if we are unable to cancel or modify a Transaction. Attempts to modify or cancel and replace a Transaction can result in an over-execution of an order or the execution of duplicate orders. Our systems does not prevent over-execution on duplicate orders from occurring and you are responsible for all such executions. You agree not to assume that any order has been executed or cancelled until you received confirmation from us with regard to order execution. You are responsible for knowing the status of your pending orders before entering additional orders. You agree to contact us in the event you are unclear on the status of an order. You agree to regularly review your online trading activity to confirm the status of your orders.
- 3.13 **Charges:** We may charge a spread, the difference between the bid and ask price, or/and charge a fix commission per amount traded. You may also pay such charges (including, without limitation, markups and markdowns, statement charges, idle account charges, order cancellation charges, account transfer charges or other charges) arising out of our services to you. We may change our charges without notice. All such charges shall be paid by you as they are incurred, or as we in our sole and absolute discretion may determine, and you hereby authorise us to withdraw the amount of any such charges from your account.
- 3.14 **Deposits/Withdrawals:** We shall neither receive nor disburse your funds in cash currency or cash equivalents. All transactions between you and us shall be performed by payment processor, e-wallet, crypto wallet, wire or other method in which the identities of both the sending and

receiving parties can be verified by us and which we, in our sole discretion, shall deem appropriate. We shall perform deposit/withdrawal transactions only between your account and another account which is held in your name or of which you clearly demonstrate ownership to us. In order to prevent money laundering, fraud, and other unauthorised activity, we may limit your withdrawal options.

4. MARGIN AND LEVERAGE

4.1 By trading in CFD's with us you will be required to provide a certain amount of margin and we will then leverage that margin. This exposes you to a high degree of risk. Leverage is the amount, expressed as a multiple, by which the notional amount traded exceeds the margin required to trade.

4.2 We will advise you of the amount of margin and the amount of leverage that we will require on a Transaction by Transaction basis. If the price of the currency pair moves against your interests you may be called upon to deposit additional margin at short notice and we may close out your position without notice if we do not receive the additional margin from you.

4.3 Margin Calls: We may close any or all open positions in your account in the event that an account falls below the minimum required equity. As such, you may lose more than the initial deposit. Margin calls are executed when a client's account has less equity available than required to maintain your open positions. Margin calls are activated in real-time and on an automatic basis, closing positions before the market has a chance to move further against your trades. You are responsible to monitor and maintain margin account balances at all times.

4.4 You will provide and maintain margin in such amounts and in such forms as we, in our sole discretion, may require. We may change margin requirements at any time without prior notice. We retain the right to limit the amount and/or total number of open positions that you may acquire or maintain with us. We reserve the right to close any of your positions at any time that we deem necessary. We shall not be responsible for any loss or damage caused, directly or indirectly, by any events, actions or omissions including but not limited to loss or damage resulting, directly or indirectly, from any delays or inaccuracies in the transmission of orders and/or information due to a breakdown in or failure of any transmission or communication facilities. For example, in volatile market conditions a margin call may be delayed resulting in the possibility of a negative usable margin; a margin call may occur even if positions are hedged due to currency conversion rate volatility or daily interest charges or credits. For a schedule of our current margin requirements and the appropriate leverage options please see our website. These terms are subject to change at our sole discretion. Please keep in mind that leverage magnifies both gains and losses.

5. STOP, LIMIT LOSS AND TAKE PROFIT ORDERS

You may be able to agree with us to limit your losses while trading CFD's by using stop loss, limit loss or take profit orders. These facilities may help you limit your exposure to us and we strongly recommend that you consider the use of such facilities.

6. NETTING

Any Transaction to which this Annex applies shall, subject as follows, be deemed included in the definition of "Netting Transaction"

for the purposes of this Agreement and subject to termination and liquidation under the clause headed "Netting" (the "Netting Clause") following an Event of Default.

7. TRADING TIMES

New CFD prices are quoted by us between 10pm on Sunday and 10pm on Friday (ET time).

8. INTEREST

- 8.1 Positions in CFD's which are rolled over from one trading day to the next will incur financing based upon the interest rate differentials between the currencies in the currency pair. The interest rate applied is described as "TomNext" which is an abbreviation for Tomorrow or the Next business day because the first value date is tomorrow or the next business day. The TomNext price reflects the applicable interest rate between TomNext and the spot value date in respect of the currency in question.
- 8.2 You pay interest on the currency that you are short on and you receive interest in the currency that you are long on. For example, if you are long on the GBP/USD pair you will receive interest on Sterling and you will pay interest on the US Dollar. If Sterling has a higher interest rate than the US Dollar then you will receive a net interest payment but if Sterling has a lower interest rate than the US Dollar then you will pay out a net interest amount. The TomNext price offered to you will differ depending on whether you are Going Long or Going Short. We may make a profit from the difference in the TomNext price offered to persons Going Long and the TomNext price offered to persons Going Short.
- 8.3 Overnight interest/rollover is charged to or credited to your account(s) daily. For trading with mini contracts, overnight interest/rollover rates may be calculated by multiplying the lot size by the amount of interest. Overnight interest/rollover rates depend on the direction of a trade (long/short) and the interest rate differential between the two countries associated with the given currencies. Positions held overnight Wednesday incur or earn an extra two days of interest. Please see our website for current overnight interest/rollover rates and time for daily charges.

9. REFERRALS

- 9.1 If you were referred to us by an introducing Broker (IB), please be advised that we and IB are wholly separate and independent from one another and there exists no joint venture or partnership relationship between the parties. Additionally, neither IB nor any other employee or agent of IB is our agent or employee.
- 9.2 We do not control, and cannot endorse or vouch for the accuracy or completeness of any information or advice you may have received or may receive in the future from your IB or from any other person not employed by us regarding CFD trading or the risks involved in such trading.
- 9.3 We provide risk disclosure information to all new clients when they open accounts. You should read that information carefully, and should not rely on any information to the contrary from any other source.
- 9.4 You acknowledge that no promises have been made by us or any individual associated with us regarding future profits or losses in your account. You understand that CFD trading is very risky, and that many people lose money trading.
- 9.5 If an IB or any other third party provides you with information or advice regarding CFD trading, we shall in no way be responsible for any loss to you resulting from your use of such information or advice.
- 9.6 To the extent you have previously been led to believe or believe that utilizing any third party trading system, course, program, research or recommendations provided by IB or any other third party will result in trading profits, you hereby acknowledge, agree and understand that all CFD trading, including trading done pursuant to a system, course, program, research or recommendations of IB or another third party involves a substantial risk of loss. In addition, you hereby acknowledge, agree and understand that the use of a trading system, course, program, research or recommendations of IB or another third party will not necessarily result in profits, or will avoid losses or limit losses.
- 9.7 We may compensate your IB for introducing you to us and such compensation may be on a per-trade basis or other basis..

9.8 IB shall have limited access to information regarding your account, but the IB shall not have the right to enter into any trades on your account unless authorised by you under a power of attorney between you and IB granting such IB the right to trade on your account.

9.9 You may terminate your relationship with an IB by providing written notice to us.

10. MARKET INFORMATION

10.1 Any market information communicated to you by us or by any person within the company, does not constitute an offer to sell or the solicitation of an offer to buy any CFD contract and such information, although based upon information obtained from sources believed by us to be reliable, may be based solely on a broker's opinion and that such information may be incomplete and may be unverified.

10.2 We make no representations, warranties or guarantees as to, and shall not be responsible for, the accuracy or completeness of any such information furnished to you. You acknowledge that we and/or its officers, directors, affiliates, associates, stockholders or representatives may have a position in or may intend to buy or sell currencies, which are the subject of market information furnished to you, and that our market position or any such officer director, affiliate, associate, stockholder or representative may not be consistent with the information furnished to you by us.

11. NO ADVICE

11.1 We do not carry any dealings on an advisory basis or a discretionary management basis. We do not provide advice about your transactions. We do not and will not give investment, legal or tax advice or make trading recommendations. We make no representations concerning the tax implications or treatment of CFD contracts. You are a self-directed investor and all orders entered are unsolicited and based on your own investment decision or the investment decision of your duly authorised representative. Neither we, nor any of our employees, may be your duly authorised representative and you will neither solicit nor rely upon us or any of its employees for any such advice. You are not entitled to ask us to provide you with investment advice relating to a Transaction or make any statement of opinion to encourage you to open a particular Transaction.

11.2 We may, at our sole discretion, provide information relating to any Transaction which you or your agent have enquired, particularly in regards to procedures and risks associated with that Transaction; and by way of providing factual market information. We are under no obligation to disclose this information and in no event will this information constitute investment advice.

11.3 We are under no obligation to check the suitability of any Transaction for you, to monitor or advise you on the state of any Transaction, to make margin calls, or to close any Transaction unless otherwise provided in this Agreement. You rely on your own judgment in opening, closing, or refraining from opening or closing a Transaction with us and we will not be liable for any losses, costs, expenses or damages suffered by you arising from any inaccuracy or mistake in any information given to you. You hereby agree to hold us and our officers, directors, employees, agents and affiliates harmless from any liability, financial or otherwise, or expense (including attorneys' fees and disbursements), as incurred, as a result of any losses or damages you may suffer with respect to any such decisions, instructions, transactions or strategies employed in your account by you or your duly authorised representative, or as a result of any breach by you of any of the covenants, representations, acknowledgments or warranties herein.

11.4 Subject to our right to void or close any Transaction in accordance with this Agreement, any Transaction opened by you following this inaccuracy or mistake will nonetheless remain valid and binding in all respects. You acknowledge that nothing in these terms and conditions shall exclude any duty or liability owed by us to you.